

Bridget McCabe
Westbrook
LD 2212

Testimony of Bridget McCabe, Manager of Policy and Legislative Affairs, 3Rivers

Neither for Nor Against

LD 2122, An Act Making Supplemental Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2026 and June 30, 2027

Joint Standing Committees on Appropriation and Financial Affairs & Health and Human Services

February 17, 2026

Good afternoon, Senator Rotondo, Senator Ingwersen, Representative Gattine, Representative Meyer, and esteemed members of the Joint Standing Committees on Appropriations and Financial Affairs and Health and Human Services. Thank you for the opportunity to testify on LD 2122, the Governor's Supplemental Budget, An Act Making Supplemental Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2026 and June 30, 2027.

My name is Bridget McCabe and I serve as the Manager of Policy and Legislative Affairs at 3Rivers. I am submitting testimony neither for nor against LD 2122, An Act Making Supplemental Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2026 and June 30, 2027. I write today to urge the Legislature to restore the Cost-of-Living Adjustment (COLA) for MaineCare direct care services within the supplemental budget.

3Rivers is a statewide nonprofit organization supporting people with disabilities across Maine, with services rooted in the local communities where people live. We support individuals in rural and urban areas, including small towns and larger communities throughout the state. Our staff work alongside people in their homes, workplaces, and neighborhoods, supporting meaningful participation in community life through a range of services. We support approximately 500 individuals across Maine who are supported by 355 direct support and care staff.

The decisions made in this supplemental budget will affect not only the hardworking individuals who provide critical support throughout our communities, but also the stability of the systems that serve thousands of older adults, people with physical, intellectual, and developmental disabilities, and individuals with behavioral health needs. Cost-of-living adjustments, the mechanism that allows wages, taxes, and benefits to keep pace with inflation, were established by the 130th Legislature for MaineCare direct care service programs. For the second consecutive year, however, these adjustments have not been fully included in the budget as required under statute. Maine law (22 M.R.S.A. §3173-J) requires an annual cost-of-living adjustment for MaineCare services. These adjustments are not optional enhancements; they are a simple but critical tool to help agencies and direct support professionals keep pace with inflation, rising housing costs, and increasing operational expenses. Since being adopted as part of MaineCare rate reform in 2022, COLAs have helped maintain service rates aligned with wage and labor expectations, including the state's goal of reaching or sustaining wages at 125% of the minimum wage.

Maine continues to face a significant direct care workforce shortage, compounded by an annually adjusted minimum wage, which increased this year by 3.07%, from \$14.65 to \$15.10. In this context, an annual COLA is not a luxury; it is a necessity. These adjustments have helped community-based agencies retain experienced and dedicated staff and stabilize critical services across the state.

We are grateful to members of both committees for restoring a partial COLA in last year's budget. That action demonstrated a shared understanding of the importance of maintaining workforce stability in essential care systems.

At 3Rivers, workforce pressures remain significant. Like many providers, we continue to experience open positions, increased onboarding and training costs, and the operational strain that accompanies staffing shortages. When positions remain vacant, services may be delayed, reduced, or placed under significant pressure.

COLAs have helped slow turnover and improve retention, allowing us to maintain continuity of care and better support the individuals we serve. Even modest stability in wage growth has a measurable impact on our ability to recruit and retain qualified staff.

Predictability is equally important. A reliable COLA schedule would allow providers to plan responsibly for wages, programming, and long-term service capacity. It would support more consistent workforce investments and strengthen our ability to meet community needs. Conversely, uncertainty in rate setting, including pending Home and Community-Based Services rate determinations without a clear effective date, complicates planning and creates real concern about long-term sustainability.

Providers have engaged in this process in good faith, and continued uncertainty places strain on organizations striving to maintain service access.

Without restoration of a 3.1% COLA in this supplemental budget, the erosion of an already fragile care system will continue. When wages stagnate, the consequences extend beyond the workforce, turnover and understaffing disrupt care and increase strain on people who rely on these supports every day. The stability and consistency offered by a predictable COLA schedule are essential to maintaining access to services for many of Maine's most vulnerable residents.

Ensuring appropriate compensation for direct support professionals signals that Maine values both its workforce and the individuals they serve. Restoring COLAs is a practical, statutorily supported step toward maintaining service stability and protecting access to care. I respectfully ask the Legislature to allocate and fund the necessary COLA for direct support professionals providing services to adults and children with intellectual and developmental disabilities, individuals with autism spectrum disorder, and people with brain injuries.

Thank you for your time and consideration.

Respectfully submitted,

Bridget McCabe

Manager of Policy and Legislative Affairs

3Rivers

bmccabe@3-Rivers.org